

**ND JOB SERVICE PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2006**

	July-06				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Fiscal YTD	FY06	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2006 Net	6/30/2006 Net
<b>LARGE CAP DOMESTIC EQUITY</b>								
<i>Structured Growth</i>								
LA Capital	3,501,402	4.1%	4.5%	-3.49%	-3.49%	11.88%	N/A	N/A
<b>Total Structured Growth</b>	<b>3,501,402</b>	<b>4.1%</b>	<b>4.5%</b>	<b>-3.49%</b>	<b>-3.49%</b>	<b>11.88%</b>	<b>12.99%</b>	<b>0.19%</b>
Russell 1000 Growth				-1.90%	-1.90%	6.12%	8.34%	-0.77%
<i>Structured Value</i>								
LSV	3,808,950	4.5%	4.5%	1.80%	1.80%	15.93%	21.06%	12.29%
Russell 1000 Value				2.43%	2.43%	12.10%	15.70%	6.89%
<i>Enhanced Russell 1000 Index</i>								
LA Capital	4,572,598	5.4%	5.7%	-1.13%	-1.13%	12.49%	12.73%	3.75%
Russell 1000				0.22%	0.22%	9.08%	12.05%	3.12%
<i>Enhanced S&amp;P 500 Index</i>								
Northern Trust	4,710,561	5.6%	5.7%	0.84%	0.84%	9.33%	11.32%	2.81%
Westridge	4,912,261	5.8%	4.5%	0.65%	0.65%	8.80%	11.46%	2.80%
Wells Capital	2,344,668	2.8%	3.0%	-1.02%	-1.02%	N/A	N/A	N/A
<b>Total Enhanced S&amp;P 500 Index</b>	<b>11,967,490</b>	<b>14.2%</b>	<b>13.2%</b>	<b>0.40%</b>	<b>0.40%</b>	<b>8.58%</b>	<b>11.40%</b>	<b>2.76%</b>
S&P 500				0.62%	0.62%	8.63%	11.22%	2.49%
<i>S&amp;P 500 Index</i>								
State Street	1,565,433	1.9%	2.1%	0.86%	0.86%	9.62%	11.55%	2.70%
S&P 500				0.62%	0.62%	8.63%	11.22%	2.49%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>25,415,874</b>	<b>30.1%</b>	<b>30.0%</b>	<b>-0.20%</b>	<b>-0.20%</b>	<b>10.93%</b>	<b>13.21%</b>	<b>3.86%</b>
S&P 500				0.62%	0.62%	8.63%	11.22%	2.49%
<b>SMALL CAP DOMESTIC EQUITY</b>								
<i>Manager-of-Managers</i>								
SEI	2,823,653	3.3%	3.6%	-3.55%	-3.55%	13.56%	18.31%	8.00%
Russell 2000 + 200bp				-3.09%	-3.09%	16.86%	21.06%	10.71%
Callan	1,095,728	1.3%	1.4%	-4.14%	-4.14%	N/A	N/A	N/A
Russell 2000				-3.25%	-3.25%			
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>3,919,381</b>	<b>4.6%</b>	<b>5.0%</b>	<b>-3.55%</b>	<b>-3.55%</b>	<b>13.40%</b>	<b>18.25%</b>	<b>7.97%</b>
Russell 2000				-3.25%	-3.25%	14.58%	18.70%	8.50%
<b>INTERNATIONAL EQUITY</b>								
<i>Large Cap - Core</i>								
State Street	426,011	0.5%	0.5%	1.07%	1.07%	27.85%	20.61%	6.87%
MSCI EAFE (1)				0.99%	0.99%	26.56%	20.76%	5.94%
<i>Large Cap - Active</i>								
Capital Guardian	1,258,526	1.5%	1.5%	0.82%	0.82%	28.01%	21.32%	6.58%
LSV	1,231,861	1.5%	1.5%	1.14%	1.14%	27.77%	N/A	N/A
Bank of Ireland	416,927	0.5%	0.5%	0.46%	0.46%	22.00%	19.16%	N/A
<b>Total Large Cap - Active</b>	<b>2,907,314</b>	<b>3.4%</b>	<b>3.5%</b>	<b>0.90%</b>	<b>0.90%</b>	<b>27.11%</b>	<b>21.84%</b>	<b>7.14%</b>
MSCI EAFE - 50% Hedged				0.98%	0.98%	26.72%	22.56%	6.89%
<i>Small Cap - Active</i>								
Lazard	401,577	0.5%	0.5%	-2.15%	-2.15%	25.04%	29.34%	N/A
Wellington	404,756	0.5%	0.5%	0.23%	0.23%	23.35%	25.26%	N/A
<b>Total Small Cap - Active</b>	<b>806,333</b>	<b>1.0%</b>	<b>1.0%</b>	<b>-0.97%</b>	<b>-0.97%</b>	<b>24.18%</b>	<b>27.28%</b>	<b>N/A</b>
Citigroup Broad Market Index < \$2BN				-2.00%	-2.00%	29.21%	32.38%	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>4,139,658</b>	<b>4.9%</b>	<b>5.0%</b>	<b>0.55%</b>	<b>0.55%</b>	<b>26.61%</b>	<b>22.77%</b>	<b>8.74%</b>
MSCI EAFE - 50% Hedged				0.98%	0.98%	26.72%	22.56%	6.89%
<b>DOMESTIC FIXED INCOME</b>								
<i>Core Bond</i>								
Western Asset	5,422,180	6.4%	6.5%	1.56%	1.56%	-1.15%	2.65%	5.96%
Lehman Aggregate				1.35%	1.35%	-0.81%	2.05%	4.97%
<i>Index</i>								
Bank of ND	10,691,919	12.7%	13.8%	1.25%	1.25%	-1.37%	1.53%	5.24%
<b>Total Index</b>	<b>10,691,919</b>	<b>12.7%</b>	<b>13.8%</b>	<b>1.25%</b>	<b>1.25%</b>	<b>-0.69%</b>	<b>2.10%</b>	<b>5.27%</b>
Lehman Gov/Credit				1.30%	1.30%	-1.52%	1.60%	5.13%
<i>Convertibles</i>								
TCW	4,970,346	5.9%	6.5%	-0.54%	-0.54%	4.54%	6.78%	1.15%
Merrill Lynch All Convertibles				0.23%	0.23%	9.37%	8.01%	4.94%

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	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2006 Net	6/30/2006 Net
<b>BBB Average Quality</b>								
<b>Wells Capital</b>	5,325,188	6.3%	6.5%	1.52%	1.52%	-2.70%	3.36%	5.51%
<i>Lehman BBB</i>				1.58%	1.58%	-2.37%	2.39%	6.10%
<b>Private Debt</b>								
<b>Prudential</b>	5,433,750	6.4%	6.5%	1.39%	1.39%	-0.13%	N/A	N/A
<i>Lehman Aggregate</i>				1.35%	1.35%	-0.81%	N/A	N/A
<b>Timberland</b>								
RMK	4,208,959	5.0%	5.0%	-0.06%	-0.06%	-1.44%	7.62%	N/A
TIR	8,818,675	10.5%	10.5%	-0.03%	-0.03%	13.53%	N/A	N/A
<b>Total Timberland</b>	13,027,634	15.4%	15.4%	-0.04%	-0.04%	9.43%	20.37%	N/A
<i>NCREIF Timberland Index</i>				1.15%	1.15%	19.69%	13.94%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	44,871,017	53.2%	55.0%	0.73%	0.73%	3.12%	8.91%	8.14%
<i>Lehman Aggregate</i>				1.35%	1.35%	-0.81%	2.05%	4.97%
<b>INTERNATIONAL FIXED INCOME</b>								
<b>International Sovereign</b>								
<b>UBS Global (Brinson)</b>	2,108,034	2.5%	2.5%	0.43%	0.43%	0.13%	N/A	N/A
<i>Citigroup Non-US Gov't Bond Index (2)</i>				0.69%	0.69%	-0.11%	N/A	N/A
<b>International Core</b>								
<b>Brandywine</b>	2,141,083	2.5%	2.5%	1.52%	1.52%	3.89%	8.39%	N/A
<i>Lehman Global Aggregate (ex-US)</i>				0.00%	0.00%	3.83%	5.69%	N/A
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	4,249,117	5.0%	5.0%	0.98%	0.98%	2.01%	N/A	N/A
<i>Citigroup Non-US Gov't Bond Index (2)</i>				0.69%	0.69%	0.00%	N/A	N/A
<b>CASH EQUIVALENTS</b>								
<b>Northern Trust STIF/STEP</b>	1,776,125	2.1%	0.0%	0.30%	0.30%	4.31%	2.64%	2.41%
<i>90 Day T-Bill</i>				0.42%	0.42%	4.00%	2.37%	2.25%
<b>TOTAL FUND</b>	84,371,172	100.0%	100.0%	0.25%	0.25%	7.09%	11.41%	6.33%
<b>POLICY TARGET BENCHMARK</b>				0.85%	0.85%	4.12%	6.85%	4.31%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.